

STATUS OF THE CLAIMS

Claims 59-106 are pending in the application.

Claims 59, 63, 73, 87, 89-94, 97 and 99-104 have been amended. Claims 67, 76, 88 and 98 have been cancelled. No new matter was added with these amendments.

Claims 59-106 stand rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over U.S. Patent No. 6,424,949 to Deaton *et al.* ("Deaton") in view of U.S. Patent No. 6,327,574 to Kramer *et al.* ("Kramer"), U.S. Patent No. 6,298,348 to Eldering ("Eldering") and U.S. Patent No. 6,377,936 to Henrick *et al.* ("Henrick").

REJECTION UNDER 35 U.S.C. §103(a)

The Office Action has rejected claims 59-106 as allegedly being unpatentable in view of Deaton, Kramer, Eldering and Henrick. Applicants respectfully assert that the claims, as amended, are patentable over the combined references, as the proposed combination is improper, as it renders the references unsatisfactory for their intended use. The remaining combination fails to disclose every element of the invention and thus fails to set forth a *prima facie* case on obviousness.

The Combination Is Improper as It Renders the References Unsatisfactory

The Office Action asserts that the combination of Kramer, Deaton and Eldering disclose the claimed invention. The Office Action states that the motivation to combine Kramer and Deaton "is to teach a system that permits the analysis of historical consumer purchasing behavior." The Office Action also states that the motivation to combine Eldering with Deaton and Kramer "is to teach a system that permits the profiling of consumers to determine the appropriate advertisements for consumers." The Office Action further asserts that the motivation to combine Deaton, Kramer, Eldering and Henrick "is to teach a system that enables merchandisers and providers of market products to consumers over a network." However, these motivations ignore the fact that key aspects of Kramer and Henrick would be rendered

unsatisfactory by the proposed combination. “If a proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification.” MPEP § 2143.01 (citing *In re Gordon*, 733 F.2d 900, 221 U.S.P.Q. 1125 (Fed. Cir. 1984)).

A key feature of Kramer is the privacy afford to users of the invention. Kramer specifically teaches that “[b]ecause of the nature and level of detail of the information available in the TIC model, the user of TIC will require a high degree of privacy. The privacy that TIC provides is that no information collected, generated or inferred by TIC ever leaves the user’s control. The data and inferences are used entirely on the users computer for the purpose of customizing and personalizing content for the user. With respect to TIC, personal information about the user only flows from external sources into the user computer (and the locally-controlled storage device). The user may use information presented by TIC to communicate back to content providers but that is done explicitly by the user independently of TIC.” Col. 5, line 62 through col. 6, line 7.

Thus, one of the key features of Kramer is the privacy afforded to an individual user. The very title of Kramer recites “Hierarchical Models of Consumer Attributes for Targeting Content in a **Privacy-Preserving Manner**” (emphasis added). These privacy concerns stand in stark contrast to the disclosures of Deaton and Eldering, which address none of these issues. Rather, Deaton and Eldering all maintain customer information at a location outside of the control of the customer. Thus, combining Kramer with either Deaton and Eldering would render Kramer unsatisfactory for its intended purpose.

Further, Henrick is directed toward data mining based on web-site usage. Abstract. Henrick also specifically notes that preserving consumer privacy is of specific concern. Abstract. Offers are made over the internet and market intelligence and customer profiles are all based on internet usage. Col. 4, lines 25-32. The Henrick invention “takes advantage of the unique customer knowledge of an Internet Service Provider (ISP) with respect to both the customers identity and their likes and dislikes, **while preserving the privacy of those customers**” (emphasis added). As with Kramer above, these privacy concerns stand in stark contrast to the disclosures of Deaton and Eldering, which address none of these issues. Deaton

and Eldering all maintain customer information at a location outside of the control of the customer. Thus, combining Henrick with either Deaton and Eldering would render Kramer unsatisfactory for its intended purpose.

The Office Action ignores this deficiency in combination and fails to even attempt to address it. This failure to properly follow the MPEP and the case law demonstrates the improper nature of the Eldering various combinations and of the rejection as a whole.

The Combination Does Not Disclose Every Element of the Claims

As the combination of Kramer and Henrick with Deaton and Henrick is clearly not proper or appropriate, the resulting combination of Deaton and Eldering does not disclose every element of the claimed invention. Further, the claims of the present invention are directed toward gathering and manipulating merchant level customer purchase information. Specifically, claim 1, for example, recites “receiving the merchant level customer purchase information” and “organizing the merchant level customer purchase information.” Thus, the present invention is not concerned with individual products purchased, but the merchants at which a customer makes a purchase. The combination of Deaton, Eldering, Hendrick and Kramer, even if proper, does not disclose this element of the claims.

Both Deaton and Eldering are directed toward a single retailer. The disclosure of Deaton is essentially directed toward a system for a merchant to identifying risks with respect to accepting checks from a customer. Col. 4, lines 52-61. Thus, the system and process is to be used by an individual retailer. One feature of the system is then to target a customer at that retailer based on past purchases at that retailer. Col. 7, lines 31-50. There is no disclosure of regarding use of this system by more than one retailer, such as competing retailers, at the same time, or generating a customer profile based on the purchases at a number of different merchants, *e.g.*, on merchant level customer purchase information.

Eldering describes using actual product information, price and identification in creating a customer profile, as shown in Fig. 5. The invention described in Eldering is directed toward determining the individual products that a customer purchases. As set forth in Eldering, a

“[p]rofiler 140 may be a retailer who collects data from its stores, but can also be a third party who contracts with consumer 100 and the retailer to receive point of purchase data and profile the consumer 100.” Col. 6, lines 9-12. As can be seen, Eldering is to be used by only one retailer to gather information for that retailer. There is no disclosure regarding use by more than one retailer, such as competing retailers, or generating a customer profile based on the purchases at a number of different merchants, *e.g.*, on merchant level customer purchase information.

Henrick, even if it were included, is directed toward data mining based on web-site usage. Abstract. Offers are made over the internet and market intelligence and customer profiles are all based on internet usage. Col. 4, lines 25-32. There is no disclosure in Henrick of any type of merchant level customer purchase information.

In addition, claims 59 and 73 recite, among other things, a “predetermined organization structure [having] a plurality of categories, each category comprising a plurality of sub-categories arranged in a hierarchy having a top-down taxonomy.” There is disclosure in any of Deaton, Eldering, Henrick and/or Kramer of these elements, including a “hierarchy having a top-down taxonomy.”

Further, claims 87 and 97 both recite, among other things, “a link file having operation instructions for accessing information in a selected database including at least one of the preference database and the customer account database.” Again, Deaton, Eldering, Henrick and/or Kramer do not disclose, either above or in combination, these elements of the claims.

For these reasons, the combination of Deaton, Eldering, Henrick and Kramer is improper for rendering the references unsuitable for their intended use. Those references that can properly be combined fail to disclose every element of the claims, and thus fail to establish a *prima facie* case of obviousness.

CONCLUSION

Applicants respectfully submit that this application, as amended, is in condition for allowance, and reconsideration and allowance of the application is respectfully requested. If the Examiner believes that prosecution might be advanced by discussing the application with Applicant's counsel, in person or over the telephone, we would welcome the opportunity to do so.

It is believed that no fees are due with this response. However, in the event any other fees are due, the Commissioner is hereby authorized to charge the undersigned's Deposit Account No. 50-0206.

Respectfully submitted,

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